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International residual mechanism for criminal tribunals

Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

Revised estimates for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals: effect of changes in rates of exchange and inflation

Report of the Secretary-General

Summary

A preliminary recosting is reflected in the budgets for the biennium 2012-2013 for the International Criminal Tribunal for Rwanda (A/66/368), the International Tribunal for the Former Yugoslavia (A/66/386) and the International Residual Mechanism for Criminal Tribunals (A/66/537).

In order to update the costing parameters, the proposed budgets are recosted prior to their adoption by the General Assembly. The present report provides the updated projections for inflation and the effect of the evolution of operational rates of exchange in 2011 on the proposed budgets for the Tribunals and the International Residual Mechanism for the biennium 2012-2013.

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After recosting, the resource requirements for the biennium 2012-2013 as proposed by the Secretary-General would amount to $181,777,100 gross for the International Criminal Tribunal for Rwanda, $287,594,000 gross for the International Tribunal for the Former Yugoslavia and $53,793,300 gross for the International Residual Mechanism.

1. To provide a comparable basis on which to analyse increases and decreases from one biennium to another, the proposed budgets for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals are normally presented at the same price levels and rates of exchange as are used in the current budgets. At the same time, the proposed budgets contain provisions for anticipated adjustments owing to inflation and to changes in the rates of exchange. These are isolated and presented separately in the column headed "recosting" in tables in the proposed budgets. The budgets are subsequently recosted three times in the biennial cycle, as follows:

(a) The first recosting is contained in the present report, which is submitted to the General Assembly for the purpose of updating the resource requirements in the proposed budget before an initial appropriation is approved;

(b) The second will be reflected in the revised estimates included in the first performance report on the budget, submitted by the Secretary-General at the end of the first year of the biennium, in connection with the approval of a revised appropriation;

(c) The third will be included in the second performance report, submitted at the end of the second year of the biennium, in connection with the approval of the final appropriation.

2. As indicated in the proposed budgets for the biennium 2012-2013 for the International Criminal Tribunal for Rwanda (A/66/368, para. 25), the International Tribunal for the Former Yugoslavia (A/66/386, para. 22) and the International Residual Mechanism (A/66/537, para. 19), the proposed budgets are recosted to take into account updated rates of exchange and inflation. Bearing in mind the view of the Advisory Committee on Administrative and Budgetary Questions that the Administration should use such operational rates of exchange in recosting exercises as would allow for the lowest estimates, the recosting in the present report is based on the data available as at December 2011.

3. A summary of the results of the recosting based on the parameters described in the present report is provided in the table below.

Summary of recosting of the proposed budgets for the biennium 2012-2013

(Thousands of United States dollars)

	Recosting					
Proposed budget (gross)	*Exchange rate*	*Inflation*	*Adjustment of common staff cost*	*Adjustment of staff assessment*	*Total*	*Estimated initial appropriation (gross)*
(1)[a]	*(2)*	*(3)*	*(4)*	*(5)*		*(7)=(1+6)*
International Criminal Tribunal for Rwanda						
183 324.9	(14 708.3)	19 243.5	(1 791.0)	(4 292.0)	(1 547.8)	181 777.1
International Tribunal for the Former Yugoslavia						
282 887.0	1 019.1	9 060.0	(872.4)	(4 499.7)	4 707.0	287 594.0
International Residual Mechanism						
55 051.4	(4 598.9)	4 725.4	(224.7)	(1 159.9)	(1 258.1)	53 793.3

[a] No adjustments recommended by the Advisory Committee on Administrative and Budgetary Questions.

4. The proposed revised parameters to be applied for the first recosting in the biennial cycle compared with the assumptions applied in the preliminary recosting included in the proposed budgets for the biennium 2012-2013 for the two Tribunals and the International Residual Mechanism are set out in three schedules:

Schedule I. Rates of exchange relative to the United States dollar and annual rates of inflation by duty station for the Tribunals;

Schedule II. Post adjustment multipliers by duty station;

Schedule III. Annual cost-of-living adjustments by duty station (General Service).

5. The estimated increased requirements of $1,019,100 for the International Tribunal for the Former Yugoslavia in respect of exchange rate fluctuations reflect the weakening of the United States dollar against the euro, while the estimated decreased requirements of $14,708,300 for the International Criminal Tribunal for Rwanda and of $4,598,900 for the International Residual Mechanism in respect of exchange rate fluctuations reflect the strengthening of the United States dollar against the Tanzanian shilling and the Rwandan franc. In the present recosting, the latest United Nations operational rates of exchange (those in effect in December 2011) have been used as the basis for recosting which yields the lowest estimates.

6. With respect to inflation, consideration is given to a series of parameters, including updated projections for inflation at the different duty stations. In the case of the salaries of Professional staff, while base salaries are not affected by exchange rates, as they are denominated in United States dollars, the post-adjustment component moves in response to changes in both inflation and exchange rates, and adjustments are triggered by movements in post-adjustment multipliers approved by the International Civil Service Commission (ICSC). As for General Service salary and non-post requirements, changes are attributable to projected rates of inflation relative to those originally estimated. It should be noted that updated rates of inflation for the biennium 2012-2013 are calculated against the realized level of inflation in 2011.

7. For the International Criminal Tribunal for Rwanda, the estimated additional requirements of $19,243,500 owing to inflation reflect costs arising in respect of Professional salaries ($10,179,100), General Service salaries ($5,595,300), staff assessment ($682,400) and non-post objects of expenditure ($2,786,700). For the International Tribunal for the Former Yugoslavia, the estimated additional requirements of $9,060,000 reflect costs arising in respect of Professional salaries ($3,296,900), General Service salaries ($1,713,800), staff assessment ($680,500) and non-post objects of expenditure ($3,368,800). Finally, for the International Residual Mechanism, the estimated additional requirements of $4,725,400 reflect costs arising in respect of Professional salaries ($1,501,600), General Service salaries ($579,100), staff assessment ($159,000) and non-post objects of expenditure ($2,485,700).

8. The adjustments made to common staff costs are based on the analysis of actual common staff costs experienced during the biennium 2008-2009 as well as the experience from January 2010 to October 2011. These adjustments resulted in decreased requirements of $1,791,000 for the International Criminal Tribunal for Rwanda, $872,400 for the International Tribunal for the Former Yugoslavia and $224,700 for the International Residual Mechanism.

9. The recosting reflected in the present document also takes into account the recommendation of ICSC for a 15 per cent reduction in the rate of staff assessment (A/66/30, para. 120 (b)). This recommendation resulted in decreased requirements of $4,292,000 for the International Criminal Tribunal for Rwanda, $4,499,700 for the International Tribunal for the Former Yugoslavia and $1,159,900 for the International Residual Mechanism.

10. **In summary, after recosting, the resource requirements for the biennium 2012-2013 as proposed by the Secretary-General, and taking into consideration the recommendations of the Advisory Committee on Administrative and Budgetary Questions, would amount to $181,777,100 for the International Criminal Tribunal for Rwanda, $287,594,000 for the International Tribunal for the Former Yugoslavia and $53,793,300 for the International Residual Mechanism.**

Schedules

Schedule I

Rates of exchange relative to the United States dollar and annual rates of inflation by duty station for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism

	Rates of exchange 2012-2013		*Rates of inflation applicable to non-post objects of expenditure*						
			Proposed budget			*Present report*			
Duty station (currency)	*Proposed budget*	*Present report*[a]	*2011*[b]	*2012*[c]	*2013*[c]	*2010*[d]	*2011*[d]	*2012*[c]	*2013*[c]
The Hague (euro)	0.753	0.750	1.0	1.3	1.4	1.3	2.3	2.0	1.8
Kigali (Rwandan franc)	588.000	601.000	7.0	7.0	7.0	2.3	5.5	6.6	6.9
Arusha (Tanzanian shilling)	1 517.000	1 699.000	7.4	7.4	7.4	7.2	10.7	12.0	7.6
New York (United States dollar)	1.000	1.000	1.0	1.9	2.5	1.6	3.0	2.1	2.3

[a] Based on the December 2011 rate of exchange.

[b] Revised 2010-2011 appropriation.

[c] Projected.

[d] Final 2010-2011 estimates.

Schedule II

Post adjustment multipliers by duty station

	Proposed budget			*Present report*			
Duty station	*2011*[a]	*2012*	*2013*	*2010*[b]	*2011*[b]	*2012*	*2013*
The Hague	52.00	48.63	49.10	50.52	57.54	53.53	56.13
Kigali	46.62	46.52	50.72	46.45	47.58	54.35	58.90
Arusha	39.93	42.25	47.57	40.68	42.00	50.58	58.27
New York	63.5	61.76	63.32	63.5	63.13	67.08	70.08

[a] Revised 2010-2011 appropriation.

[b] Final 2010-2011 estimates.

Schedule III

Annual cost-of-living adjustments by duty station (General Service)

(Percentage)

	Proposed budget			*Present report*		
Duty station	*2011*[a]	*2012*[b]	*2013*[b]	*2011*[c]	*2012*[b]	*2013*[b]
The Hague	1.0	1.3	1.4	1.86	2.0	1.8
Rwanda (Kigali)	7.0	7.0	7.0		6.6	6.9
United Republic of Tanzania	7.4	7.4	7.4	1.30	12.0	7.6
New York	1.0	1.9	2.5	1.11	2.1	2.3

[a] Revised 2010-2011 appropriation.

[b] Projected.

[c] Actual.